



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

*CA*

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/972,736	10/05/2001	William Baughman	3271/50	4456

29858 7590 10/05/2006

BROWN, RAYSMAN, MILLSTEIN, FELDER & STEINER LLP  
900 THIRD AVENUE  
NEW YORK, NY 10022

EXAMINER

SHRESTHA, BIJENDRA K

ART UNIT PAPER NUMBER

3691

DATE MAILED: 10/05/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/972,736

Applicant(s)

BAUGHMAN ET AL.

Examiner

Bijendra K. Shrestha

Art Unit

3600

– The MAILING DATE of this communication appears on the cover sheet with the correspondence address –  
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-11 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-11 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date 10/04/02
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_.

## **DETAILED ACTION**

### ***Drawings***

1. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they do not include the following reference sign(s) mentioned in the description: portfolio construction tool " 106" (It should be corrected to be "108"); Defensive /conservative "414" (it should be corrected to be "404"). Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

2. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(4) because reference characters "104" and "202"; "106" and "204"; "108" and "206"; "110" and "208" and have both been used to designate " investor profile tool"; "asset allocation tool"; portfolio construction tool" and "portfolio management and monitoring tool" respectively. Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the

Art Unit: 3624

immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

3. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they include the following reference character(s) not mentioned in the description: "305" and "404". Corrected drawing sheets in compliance with 37 CFR 1.121(d), or amendment to the specification to add the reference character(s) in the description in compliance with 37 CFR 1.121(b) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

***Claim Rejections - 35 USC § 102***

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 1-6, 8, 10 and 11 are rejected under 35 U.S.C. 102(e) as being anticipated by Wallman, U.S. Patent No. 6, 601,044.

6. As per claim 1, Wallman teaches an integrated computerized investment portfolio management system comprising:

Step 1: an investor profile tool operative to inquire as to a user's preferences to determine at least one of the user's financial needs and goals (see column 23, lines 30-32, 44-47; column 24, lines 1-10, 35-39; column 31, line 30-34; column 43, line 25-35; column 48, line 10-14; where user's preferences for risk-return, types of securities, portfolio mix etc are inquired in the asset allocation model in the system; users are required to select or modify either the specific asset/liability preferences or the percentage allocation to achieve user financial needs and goals).

Step 2: an asset allocation tool to recommend an asset allocation tailored to at least one of the user's financial needs and goals (see column 23, lines 36-42, 44-46, 51-60 ; column 29, lines 21-30; column 47, line 21-25; where asset allocation model in the

Art Unit: 3624

system determine a percentage allocation in each of types the general investment according to preferences, needs and financial goals selected by the users as discussed in claim 1 part 1 above such as how much should be invested in short-term, medium-term and long-term investments);

Step 3: a portfolio construction tool operative to purchase financial assets for inclusion in a portfolio based at least in part on the recommended asset allocation (see Fig. 8; column 11, line 35-37; column 14, line 18-24; column 25, lines 6-9, 66-67; column 26, line 1-9; column 33, line 33-54; where screen 8 in Fig. 8 provides the user final confirmation of portfolio based on asset allocation recommendation, solicits the user amount to invested in the portfolio and displays purchase of investments in the next screen);

Step 4: a portfolio monitoring tool to monitor at least one of a composition of financial assets within the portfolio and a return generated by the portfolio (see column 29, line 14-15; column 37, line 10-17, line 40-47; column 44, line 40-50; where display of risk and differential return of portfolio in screen allow users to monitor the performance of the investments; for example, users can instantly be able to see which stocks are contributing higher levels of risks and presumably higher level of returns in the portfolio; and user could adjust risk and return of portfolio and the system will automatically recalculate the required mix of portfolio's stocks).

7. As per claim 2, Wallman teaches claim 1 as described above. Wallman further teaches the system wherein the investor profile tool presents a questionnaire to conduct the inquiry (see column 23, lines 21-31, 44-46, 47-51; column 29, line 22-30; where

Art Unit: 3624

users are presented with series of questionnaires through asset allocation model and portfolio selection editor to determine investor data, the investor's risk tolerance and financial goals and objectives etc.; the questions and answers forms a profile of the investor which is stored in database web server; asset allocation model and portfolio selection editor together, therefore, plays a of role investor profile tool as presented by the applicant).

8. As per claim 3, Wallman teaches claim 2 as described above. Wallman further teaches the system wherein the investor profile tool analyzes responses to the questionnaire to determine at least one of risk tolerance, time horizon, and user experience (see column 23, line 21-31; column 29, lines 22-30, 39-49; where asset allocation model and portfolio selection editor verifies and analyzes information to generate portfolio for the investor; investors are also questioned on suitability of the investment (which include risk tolerance, other security holdings, financial situation (income and net worth), financial needs, and investment objectives as per definition of NASD and US Securities and Exchange Commission) and whether an investor qualifies as an "accredited investor" or "qualified investor" for certain type of investments).

9. As per claim 4, Wallman teaches claim 1 as described above. Wallman further teaches the system wherein the asset allocation tool uses responses to the questionnaire to calculate the recommended asset allocation of financial assets (see Fig. 2 and 3; column 23, line 44-46; column 29, line 22-30; column 47, line 21-23; where responses to questionnaires listed in Fig.2 such as "annual income needed at retirement, year of retirement, risk factor and so on" calculates output of asset allocation

Art Unit: 3624

model in Fig. 2 in terms of amount of investments required by category: short-term, medium-term and long-term investments).

10. As per claim 5, Wallman teaches claim 4 as described above. Wallman further teaches the system wherein the user generates a portfolio comprising the recommended financial asset allocation utilizing the portfolio construction tool (see Fig. 4A, 4B and 5; column 23, line 62-66; column 24, lines 1-4, 27-31; column 30, line 32-46; column 32, line 1-5; column 43, lines 26-40, 49-53; where investor or user select specific investments to be included (and which should not) in the portfolio as per recommended asset allocation with the help of the portfolio editor, a portfolio construction tool).

11. As per claim 6, Wallman teaches claim 1 as described above. Wallman further teaches the system wherein the portfolio construction tool is operative to generate the portfolio comprising diversified financial assets (see column 19, line 30-40; column 21, line 7-12; column 29, line 28-30; column 43, line 59-52; column 46, line 20-38; where portfolio editor, a tool operative to generate diversified portfolio which includes "any tradable commodity or item of value in which there exists a market for trading").

12. As per claim 8, Wallman teaches claim 1 as described above. Wallman further teaches the system wherein the user generates the portfolio comprising asset not recommended by the asset allocation tool (see column 15, line 46-51; column 16, line 13-20; column 18, line 18-53; where an investor could completely skip asset allocation recommendation and create individual portfolio, in which case portfolio starting point



Art Unit: 3624

could consists portfolio such as Dow Jones Industrial Index or strategies embodied unit investment trusts or celebrity portfolios etc.).

13. As per claim 10, Wallman teaches claim 1 as described above. Wallman further teaches the system wherein the user's responses to the questionnaire are stored in a profile (see Fig.1 and Fig. 16; column 23, line 12-20; column 39, lines 36-41, 48-54; where users responses to questionnaires (demography, risks, preferences) are stored in investors database in the web server).

14. As per claim 11, Wallman teaches claim 1 as described above. Wallman further teaches system wherein the portfolio monitoring tool is operative to monitor the return generated by specific financial assets comprising the portfolio (see Fig 13; column 14, lines 29-36, 49-57; column 17, line18-32; column 22, line 35; column 29, line 14-15; column 37, line 10-17, line 40-47; column 44, line 40-50; where Fig. 13 represent screen displaying a sample portfolio (stock) as described in claim 1 step 4 above; this screen represents portfolio monitoring tool and allows user to modify risk and returns as preferred by the user).

### ***Claim Rejections - 35 USC § 103***

15. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Art Unit: 3624

16. Claim 7 rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman in view of Jones et al. U. S. Patent No. 6, 021,397.

17. As per claim 7, Wallman teaches claim 1 as described above. Wallman further teaches system wherein the user creates an alert that is triggered when users specify range of data beyond preference and goals entered in the profile and preferences (see column 31, line 30-39)

Wallman does not teach system wherein the user creates and maintains one or more alerts that are triggered when specified market conditions are present in a financial marketplace.

Jones et. al teach specified market conditions that required users to create and maintain alerts (see column 11, line 63-66; column 12, line 11-31; line 50-67, column 19, line 28-38; column 20, 14-20; where exemplary conditions which may trigger alerts from plan monitoring module discussed (such as financial product's style exposure change, change market value, availability of new financial product, change in risk factors in portfolios, change highest expected return for current level of portfolio risk etc.))

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the time of the invention was made to add users to create and maintain one or more alerts that are triggered when specified market conditions are present in a financial marketplace of Wallman because Jones et al. teach it is advantageous to financial advisory plan monitoring on an ongoing basis to alert the user if the likelihood of meeting their financial goal falls below a threshold value or if their portfolio risk level

Art Unit: 3624

becomes inconsistent with their risk preferences and it is desirable to provide specific advice to user regarding steps they can take to improve their chances of meeting their financial goal while taking into consideration the user's personal tradeoff among the risk, savings, and retirement age (Jones et al., column 2, line 36-45).

18. Claim 9 rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman in view of Buist, U.S. Pat No. 6,408,282.

19. As per claim 9, Wallman teaches claim 1 as described above. Wallman further teaches system wherein the user creates an alert that is triggered when users specify range of data beyond preference and goals entered in the profile and preferences (see column 31, line 30-39)

Wallman does not teach the system comprising one or more watch lists consisting of financial assets to be monitored without purchasing the financial assets.

Buist teaches system comprising one or more watch lists consisting of financial assets to be monitored without purchasing the financial assets (see Fig. 12, 33, 51; column 14, line 56-58; column 18, line 55-59, 63-64; column 22, line 19-26; column 24, line 36-45; column 34, line 49-50; where investors can add/edit/delete watch (or wish) lists for stocks for further monitoring in order to add to the portfolio as market conditions or performance merits; stock news alert set up to display on watch list allow users to track movement of selected stocks)

Therefore, it would be prima facie obvious to one of ordinary skill in the art at the time of the invention was made to add system comprising one or more watch lists consisting of financial assets to be monitored without purchasing the financial assets of

Art Unit: 3624

Wallman because Buist teaches watch lists provide faster access to critical information, faster execution of primary trading functions, better decision making during the trading process, fewer undetected critical errors, easier correction of detected errors, and faster and more reliable problem resolution(Buist, column 3, lines 34-38).

### ***Conclusion***

20. The prior art made of record and not relied upon is considered pertinent to applicant disclosure. The following are pertinent to the current invention, though not relied upon:

Chennault (U.S. Patent No. 5,930,774) teaches evaluation of mutual fund portfolio and checks extent of diversity or lack of diversity among several investment portfolio.

Giasante et al. (U.S. Patent No. 6,275,814) teaches investment portfolio selection system and method.

Khemlani (U.S. Pub No. 2002/0049713) teaches creating/editing/deleting watch lists for portfolio of assets to be monitored before purchasing it.

Martyn et al. (U.S. Patent No. 6,195, 647) teaches display of information on selected securities (updated basis), select displayed list of securities, monitor trade activity, participate in a trade and report trade.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bijendra K. Shrestha whose telephone number is

Art Unit: 3624

(571)270-1374. The examiner can normally be reached on Monday - Friday, 7:30 a.m - 5 p.m, 2nd Friday OFF.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Patrick Nolan can be reached on (571)270-1358. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

BKS



**PATRICK J. NOLAN, PH.D.**  
**SUPERVISORY PATENT EXAMINER**